

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

**BKY No.: 19-43029
Chapter 11 Case**

Tiger Oak Media, Incorporated,

Debtor.

**NOTICE OF EXPEDITED HEARING AND MOTION FOR
APPROVAL TO USE CASH COLLATERAL AND
FOR ADEQUATE PROTECTION**

**TO: THE DEBTOR, THE UNITED STATES TRUSTEE, AND OTHER PARTIES IN
INTEREST AS SPECIFIED IN LOCAL RULE 9013.3.**

1. Tiger Oak Media, Incorporated (hereinafter "Debtor"), the Debtor-In-Possession in the above-referenced proceeding, moves the Court for expedited relief and gives notice of hearing.

2. The Court will hold an expedited hearing on the Debtor's Motion at 9:00 a.m. on Thursday, October 10, 2019, before the Honorable Michael E. Ridgway, in Courtroom No. 7 West, United States Courthouse, 300 South Fourth Street, Minneapolis, MN 55415, or as soon thereafter as counsel can be heard. A final hearing on the Debtor's Motion for Use of Cash Collateral and for Adequate Protection ("Motion") is set for 10:00 a.m. on Thursday, November 13, 2019, before the Honorable Michael E. Ridgway, in Courtroom No. 7 West, United States Courthouse, 300 South Fourth Street, Minneapolis, MN 55415.

3. Any response to the Expedited Hearing and Motion shall be filed and served not later than 2 hours prior to the October 10, 2019 hearing date. Any response to the November 13, 2019, Final Hearing on the Debtor's Motion, shall be filed and served not later than Friday, November 8, 2019, which is five (5) days prior to the hearing date. **THE**

COURT MAY ALSO GRANT THE DEBTOR'S MOTIONS, INCLUDING FINAL APPROVAL OF ANY ADEQUATE PROTECTION AGREEMENTS WITHOUT A FURTHER HEARING UNLESS AN APPROPRIATE OBJECTION IS INTERPOSED IN ACCORDANCE WITH THE RULES.

4. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§157 and 1334, Bankruptcy Rule 5005 and Local Rule 1070-1. This is a core proceeding. The case is now pending in this Court, having been filed on October 7, 2019.

5. This Motion arises under 11 U.S.C. §§363 and 361, together with Bankruptcy Rule 4001(c) and Local Rule 4001-2. The Debtor seeks an expedited Hearing on its Motion to use cash collateral and to provide adequate protection.

6. The Debtor's pre-bankruptcy assets, including cash collateral, are subject to a security interest and lien in favor of Choice Financial Group.

7. The Debtor operates a publishing business. The Debtor has been in this business for more than twenty-seven years. The Debtor's assets are subject to a lien and security interest in favor of Choice Financial Group.

8. The Debtor's verified Rule 4001-2 Statement is attached to this Motion and marked as **Exhibit A**. The Statement includes a 60-day cash flow projection of the debtor's business operations; a Balance Sheet; and a Profit and Loss Statement. The Debtor's essential expenses in the month of October, 2019 will include payroll and related tax payments, rent, insurance, sales taxes, utilities, equipment, credit card payments and supplies.

9. Cause exists to hear this matter on an expedited basis. The Debtor will suffer irreversible and irreparable harm if it is not able to use cash collateral. The expenditures

the Debtor proposes to make between the preliminary hearing on the Debtor's Motion and the Final Hearing are described in detail on the attached verified Rule 4001-2 Statement. If the Debtor is unable to pay these expenses, it will not be able to conduct its business. The Debtor's cash collateral since the filing date will stay the same and not decrease demonstrating further adequate protection.

10. Pursuant to applicable rules, the Debtor reserves the right to call Craig Bednar, the CEO of the Debtor in support of this Motion.

11. On an interim basis and pending the final hearing on the Debtor's Motion, the Debtor proposes to grant a replacement lien to Choice Financial Group.

12. By making this Motion, the Debtor is not seeking to cross collateralize any pre-petition debt with post-petition collateral. The Debtor is not admitting the validity, perfection or amount of any pre-petition secured claim or waiving any right with respect thereto. The relief sought does not grant a lien on the Debtor's avoidance claims or bankruptcy causes of action as enumerated under the Bankruptcy Code. This Motion does not propose to secure pre-petition debt with post-petition loans or otherwise attempt to roll a pre-petition obligation into a post-petition obligation. This Motion does not deal with or carve out fees of any professionals. This Motion does not propose to prime any debt of the Debtor nor does this Motion provide automatic summary relief from the automatic stay to any creditor. The Debtor is simply proposing to use cash collateral to pay essential operating expenses and grant a replacement lien in the Debtor's assets to Choice Financial Group, which replacement lien would have the same priority, dignity and effect as the pre-petition lien held by said creditor, all pending the final hearing on the Debtor's Motion.

WHEREFORE, the Debtor, through its undersigned attorneys, respectfully moves

the Court for an Order granting the Debtor's Motion for expedited relief and granting the Debtor's Motion authorizing it to use cash collateral and authorizing the Debtor to grant a replacement lien to Choice Financial Group, which replacement lien will have the same priority, dignity and effect as the pre-petition liens held by said creditor, and for such other and further relief as the Court may deem just and equitable.

Date: October 7, 2019.

STEVEN B. NOSEK, P.A.

/e/ Steven B. Nosek

Steven B. Nosek, #79960

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ATTORNEYS FOR DEBTOR

VERIFICATION

I, Craig Bednar, CEO of the Debtor named in the foregoing pleading, declare under penalty of perjury that the foregoing pleading is true and correct according to the best of my knowledge, information and belief.

TIGER OAK MEDIA, INCORPORATED

Dated: 10-7, 2019.



Craig Bednar, CEO

EXHIBIT A
RULE 4001-2 STATEMENT

The Debtor filed a partial set of schedules and asks the Court to take judicial notice thereof.

Attached to this Statement as **Exhibit 1** is a 60-day cash flow projection and budget. Attached as **Exhibit 2** is a Balance Sheet. Attached as **Exhibit 3** is a Profit & Loss Statement.

The Budget attached represents the critical expenditures required to be made by the Debtor to remain operational.

The undersigned verifies under penalty of perjury that the information contained in this pleading is true and correct according to the best of his knowledge, information, and belief.

TIGER OAK MEDIA, INCORPORATED

Dated: October 7, 2019.



Craig Bednar, CEO

August-December Projection							
	July	August	September	October	November	December	Total
Print	664,817	442,646	990,532	655,413	957,375	937,000	3,982,966
Digital	77,935	85,732	139,340	115,700	117,000	83,000	540,772
Events	46,838	77,240	58,490	127,333	33,333	98,333	394,729
Subscriptions	12,712	12,000	12,000	12,000	12,000	12,000	60,000
Newsstand	22,277	12,000	12,000	12,000	12,000	12,000	60,000
Fees			49,000	20,000		10,000	79,000
Reprints	1,220	3,500	3,500	3,500	1,500	3,500	15,500
Bride Guide Revenue							
Total Revenue	825,799	633,118	1,264,862	945,946	1,133,208	1,155,833	5,132,967
Edit							
Avg. Payroll	70,102	70,102	70,102	70,102	70,102	70,102	350,511
Contractors	23,455	23,455	23,455	23,455	23,455	23,455	117,273
Other	24,034	16,119	34,903	23,413	33,698	33,068	141,200
Total	117,591	109,676	128,460	116,970	127,254	126,624	608,985
Art							
Payroll	67,209	67,209	67,209	67,209	67,209	67,209	336,046
Contractors	5,165	5,165	5,165	5,165	5,165	5,165	25,825
Other	14,858	9,964	21,577	14,474	20,831	20,442	87,288
Total	87,232	82,339	93,951	86,848	93,206	92,816	449,160
Circulation							
Payroll	11,214	11,214	11,214	11,214	11,214	11,214	56,068
Contractors	5,311	5,311	5,311	5,311	5,311	5,311	26,554
Mailing Projected	65,469	47,691	94,088	70,739	88,975	92,888	394,380
Mailing Estimate		41,461	64,400	55,800	42,975	71,000	275,636
Total	81,994	57,985	80,924	72,324	59,499	87,524	358,257
Printing and Shipping as a % of Print Revenue							
Actual Estimate	174,099	116,760	252,827	169,600	244,096	239,532	1,022,815
		134,131	235,054	242,575	191,445	382,005	1,185,210
Production							
Payroll	34,513	34,513	34,513	34,513	34,513	34,513	172,566
Others	1,883	1,883	1,883	1,883	1,883	1,883	9,417
Total	36,397	36,397	36,397	36,397	36,397	36,397	181,983
Digital							
Payroll	25,896	25,896	25,896	25,896	25,896	25,896	129,480
Contract	2,081	2,081	2,081	2,081	2,081	2,081	10,407
Other	7,508	8,260	13,424	11,147	11,272	7,996	52,099

Total	35,486	36,237	41,402	39,124	39,249	35,974	191,986
Events							
Payroll	17,822	17,822	17,822	17,822	17,822	17,822	89,110
Contract Labor	4,969	4,969	4,969	4,969	4,969	4,969	24,843
Other	35,372	58,331	44,171	96,161	25,173	34,261	258,097
Total	58,162	81,122	66,962	118,952	47,963	57,051	372,050
Sales							
Payroll	54,248	35,685	35,685	35,685	35,685	35,685	178,425
Commissions	68,394	52,680	103,079	78,005	95,930	97,022	426,716
Other	3,358	2,587	5,061	3,830	4,710	4,764	20,952
Total	126,000	90,951	143,825	117,520	136,326	137,471	626,093
Administration							
Payroll	80,862	80,862	80,862	80,862	80,862	80,862	404,308
Other Fixed	69,587	69,587	69,587	69,587	69,587	69,587	347,934
Variable	55,802	42,782	85,470	63,920	76,574	78,103	346,849
Total	206,250	193,230	235,919	214,369	227,023	228,551	1,099,092
Total Expense	906,686	822,067	1,062,893	1,045,079	958,362	1,184,414	5,072,815
Net	(80,887)	(188,949)	201,969	(99,133)	174,846	(28,581)	60,152

EXHIBIT 1

Tiger Oak Media
Balance Sheet
As of October 1, 2019

10/01/19

	Oct 1, 19	Oct 1, 18	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
100 • Cash			
11150 • Petty Cash	150.00	150.00	0.00
11181 • Choice Bank - Depository	42,504.04	243,683.10	(201,179.06)
11182 • Choice Bank - Operating	(147,731.76)	(310,100.14)	162,368.38
11184 • Choice Bank - Benefits Account	749.75	564.95	184.80
11185 • ITEX	0.00	1,301.51	(1,301.51)
11195 • Paypal Accounts	0.00	231,520.78	(231,520.78)
Total 100 • Cash	(104,327.97)	167,120.20	(271,448.17)
Total Checking/Savings	(104,327.97)	167,120.20	(271,448.17)
Accounts Receivable			
112 • A/R - Tiger Oak	1,017,894.21	1,252,513.55	(234,619.34)
11234 • A/R - NWD Marjie Grove	0.00	114,421.54	(114,421.54)
Total Accounts Receivable	1,017,894.21	1,366,935.09	(349,040.88)
Other Current Assets			
11245 • Accounts Receivable Barter	78,377.98	96,872.25	(18,494.27)
115 • Prepaids			
11240 • Prepaid Finance Charges	0.00	7,125.00	(7,125.00)
11550 • Prepaid Trade Expenses	140,368.58	0.00	140,368.58
11600 • Prepaid Insurance	2,585.01	27.78	2,557.23
11700 • Advance	4,015.80	0.00	4,015.80
11800 • Security Deposit	14,263.35	15,763.35	(1,500.00)
11900 • Postage Deposit	7,000.00	7,000.00	0.00
Total 115 • Prepaids	168,232.74	29,916.13	138,316.61
11501 • Undeposited Funds	721.00	0.00	721.00
Total Other Current Assets	247,331.72	126,788.38	120,543.34
Total Current Assets	1,160,897.96	1,660,843.67	(499,945.71)
Fixed Assets			
121 • Fixed Assets			
12110 • Office Equipment	160,753.70	160,753.70	0.00
12120 • Office Furniture	204,753.77	204,753.77	0.00
12130 • Office Art	17,363.00	17,363.00	0.00
12200 • Property & Equipment-Computer	829,003.48	809,413.52	19,589.96
12300 • Leasehold Improvements	32,127.54	32,127.54	0.00
12360 • Leasehold Impvmt Stle - Miken	59,682.18	59,682.18	0.00
12410 • A/D - Office Furniture	(204,670.77)	(204,670.77)	0.00
12420 • A/D - P & E Computer Equipment	(778,735.26)	(762,717.58)	(16,017.68)
12430 • A/D - Office Art	(17,363.00)	(17,363.00)	0.00
12440 • A/D - Office Equipment	(160,753.70)	(160,749.69)	(4.01)
12600 • A/D - Leasehold Improvements	(73,546.52)	(72,992.76)	(553.76)
Total 121 • Fixed Assets	68,614.42	65,599.91	3,014.51
Total Fixed Assets	68,614.42	65,599.91	3,014.51

Tiger Oak Media
Balance Sheet
As of October 1, 2019

10/01/19

	Oct 1, 19	Oct 1, 18	\$ Change
Other Assets			
12700 • Related party receivables			
12870 • Notes Receivable - Lazzari + Sa	777,355.45	777,355.45	0.00
12875 • Note Receivable - RC Bednar	503,684.32	745,542.27	(241,857.95)
Total 12700 • Related party receivables	1,281,039.77	1,522,897.72	(241,857.95)
129 • Goodwil and Amortization			
12620 • Goodwill	2,947,688.00	2,947,688.00	0.00
12621 • Accumulated Amortization	(2,213,694.82)	(2,034,373.06)	(179,321.76)
Total 129 • Goodwil and Amortization	733,993.18	913,314.94	(179,321.76)
12900 • Note Receivable - Gyswyt Theft	229,871.48	0.00	229,871.48
Total Other Assets	2,244,904.43	2,436,212.66	(191,308.23)
TOTAL ASSETS	3,474,416.81	4,162,656.24	(688,239.43)
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
21100 • Accounts Payable	2,544,622.19	2,326,541.23	218,080.96
Total Accounts Payable	2,544,622.19	2,326,541.23	218,080.96
Credit Cards			
21151 • Chase Credit Card	29,082.28	132,809.11	(103,726.83)
21152 • AMEX - Working Capital	0.00	198,059.03	(198,059.03)
21153 • Capital One Credit Card	21,724.73	0.00	21,724.73
21154 • AMEX - Platinum/Gold Card	19,736.90	128,740.52	(109,003.62)
21155 • Wells Fargo Credit Card	11,919.56	0.00	11,919.56
Total Credit Cards	82,463.47	459,608.66	(377,145.19)
Other Current Liabilities			
21001 • Bank Loans - Current			
21009 • Choice - Commercial Loan 6623	482,700.59	562,377.28	(79,676.69)
21011 • Choice - Line of Credit #6624	725,822.93	850,000.00	(124,177.07)
Total 21001 • Bank Loans - Current	1,208,523.52	1,412,377.28	(203,853.76)
21004 • Notes Payable - Other			
21225 • Note Payable - Uncommon Deliver	100,495.69	225,000.00	(124,504.31)
Total 21004 • Notes Payable - Other	100,495.69	225,000.00	(124,504.31)

	Oct 1, 19	Oct 1, 18	\$ Change
21010 · Payroll Liability	1,028.07	0.00	1,028.07
21020 · Payroll Tax Liability	(50,170.74)	0.00	(50,170.74)
21025 · Comm/Bonus Payable	83,913.11	102,911.04	(18,997.93)
21330 · Deferred Revenue	348,730.86	340,745.73	7,985.13
21345 · Accrued Trade Expense	(6,358.03)	0.00	(6,358.03)
21400 · Employee Benefit Payable	8,354.12	0.00	8,354.12
21405 · Employee Flex Benefits Payable	8,719.09	7,680.55	1,038.54
21435 · Sales Tax Payable	10,335.74	0.00	10,335.74
Total Other Current Liabilities	1,713,571.43	2,088,714.60	(375,143.17)
Total Current Liabilities	4,340,657.09	4,874,864.49	(534,207.40)
Long Term Liabilities			
29999 · Suspense Account	35,127.40	0.00	35,127.40
Total Long Term Liabilities	35,127.40	0.00	35,127.40
Total Liabilities	4,375,784.49	4,874,864.49	(499,080.00)
Equity			
31000 · Common Stock	100.00	100.00	0.00
31150 · Shareholder Distributions	278,857.38	265,466.42	13,390.96
32000 · Paid In Capital	913,445.22	913,445.22	0.00
38000 · Retained Earnings	(2,734,981.32)	(1,781,732.67)	(953,248.65)
Net Income	641,211.04	(109,487.22)	750,698.26
Total Equity	(901,367.68)	(712,208.25)	(189,159.43)
TOTAL LIABILITIES & EQUITY	3,474,416.81	4,162,656.24	(688,239.43)

Tiger Oak Media

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Profit & Loss

10/01/19

January through July 2019

	Jan - Jul 19	Jan - Jul 18	\$ Change
Ordinary Income/Expense			
Income			
40000 · Income			
21015 · Sales Tax Payable - MN	233.28	0.00	233.28
41000 · Print Revenue	6,176,281.33	6,943,972.24	(767,690.91)
41020 · Digital Revenue	951,649.92	886,045.89	65,604.03
41025 · Trade Revenue	0.00	(12.50)	12.50
41500 · Custom Revenue	10,124.10	2,521.03	7,603.07
41550 · Sponsor/table/tickets	1,138,877.64	1,482,766.85	(343,889.21)
42000 · Subscription Revenue	101,803.84	87,738.25	14,065.59
42005 · News Stand Revenue	91,104.39	71,650.51	19,453.88
42006 · Reprint Revenue	12,194.22	9,977.17	2,217.05
43500 · Bride Guide Revenue	289,455.85	214,235.82	75,220.03
Total 40000 · Income	8,771,724.57	9,698,895.26	(927,170.69)
Total Income	8,771,724.57	9,698,895.26	(927,170.69)
Cost of Goods Sold			
50000 · Cost of Goods Sold	(3,336.98)	0.00	(3,336.98)
Total COGS	(3,336.98)	0.00	(3,336.98)
Gross Profit	8,775,061.55	9,698,895.26	(923,833.71)
Expense			
51195 · Edit			
52000 · Wages	490,694.23	453,712.13	36,982.10
52001 · Payroll Taxes	21,852.73	39,648.81	(17,796.08)
52005 · Contract Labor	161,649.59	336,448.57	(174,798.98)
52010 · Other	3,183.56	9,994.09	(6,810.53)
52015 · Freelance Writers	131,467.28	153,483.75	(22,016.47)
52025 · Copy Editor	57,302.46	22,667.25	34,635.21
52030 · Research	9,323.62	10,534.39	(1,210.77)
52035 · Blogger	0.00	1,843.00	(1,843.00)
52040 · Computer Software	777.56	0.00	777.56
52050 · Travel & Lodging	2,883.84	0.00	2,883.84
52060 · Travel Meals	452.45	0.00	452.45
52065 · Meals	1,710.01	0.00	1,710.01
52070 · Mileage/Parking	2,471.69	0.00	2,471.69
Total 51195 · Edit	883,769.02	1,028,331.99	(144,562.97)
52290 · Art			
53000 · Wages			
53003 · Photographers	62,246.40	0.00	62,246.40
53000 · Wages - Other	388,023.87	497,098.96	(109,075.09)
Total 53000 · Wages	450,270.27	497,098.96	(46,828.69)

Tiger Oak Media

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Profit & Loss

10/01/19

January through July 2019

	Jan - Jul 19	Jan - Jul 18	\$ Change
53001 · Payroll Taxes	20,194.67	41,025.00	(20,830.33)
53005 · Contract Labor	36,155.82	56,886.00	(20,730.18)
53010 · Other	2,207.21	9,640.13	(7,432.92)
53100 · Art & Illustration	521.34	2,050.00	(1,528.66)
53150 · Photography	89,326.58	103,162.58	(13,836.00)
53700 · Stylists	23,058.70	28,348.33	(5,289.63)
53705 · Hair & Makeup	500.00	0.00	500.00
53725 · Models	15,154.62	9,860.00	5,294.62
53730 · Props/Rentals	1,363.40	0.00	1,363.40
53735 · Studio Supplies	366.30	0.00	366.30
53740 · Location Fees	1,698.06	0.00	1,698.06
53745 · Travel & Lodging	6,124.70	0.00	6,124.70
53747 · Travel Meals	543.89	0.00	543.89
53750 · Meals	1,310.43	0.00	1,310.43
53755 · Mileage/Parking	4,274.75	0.00	4,274.75
53775 · Computer Software	20.00	0.00	20.00
Total 52290 · Art	653,090.74	748,071.00	(94,980.26)
53500 · Circ			
53510 · Wages	74,987.68	103,806.03	(28,818.35)
53511 · Payroll Taxes	3,508.98	8,513.19	(5,004.21)
53520 · Contract Labor	34,236.94	16,039.70	18,197.24
53525 · Agency Fees/Commissions	616.00	1,206.00	(590.00)
53535 · Auditing	13,286.52	15,275.26	(1,988.74)
53600 · Fulfillment	4,393.51	34,083.51	(29,690.00)
53615 · Cover Wraps	9,678.00	1,421.82	8,256.18
53620 · Inserts Blow/Bind Ins	7,110.31	5,937.60	1,172.71
53625 · List Rental	17,031.48	5,605.16	11,426.32
53640 · Billing & Renewals	13,316.60	14,785.56	(1,468.96)
53650 · Magazine Postage	371,365.18	495,932.20	(124,567.02)
53670 · Business Reply Postage	4,140.24	4,395.49	(255.25)
53675 · Telemarketing	0.00	2,562.50	(2,562.50)
53680 · Newsstand Promotion	6,372.22	631.62	5,740.60
53685 · Other	2,259.90	366.36	1,893.54
53690 · Computer Software	17,339.72	0.00	17,339.72
Total 53500 · Circ	579,643.28	710,562.00	(130,918.72)
55500 · Print & Ship			
55510 · Printing/Binding	659,401.16	1,544,216.97	(884,815.81)
55520 · Shipping	196,065.47	157,286.05	38,779.42
55530 · Specialty Printing	32,507.57	0.00	32,507.57
55540 · Paper	698,233.93	0.00	698,233.93
55550 · Mail Handling	50,911.00	0.00	50,911.00
55500 · Print & Ship - Other	12,917.94	0.00	12,917.94
Total 55500 · Print & Ship	1,650,037.07	1,701,503.02	(51,465.95)

Tiger Oak Media

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Profit & Loss

10/01/19

January through July 2019

	Jan - Jul 19	Jan - Jul 18	\$ Change
55600 • Production			
55620 • Wages	232,691.95	238,653.72	(5,961.77)
55621 • Payroll Taxes	8,800.46	20,037.08	(11,236.62)
55625 • Ad Prod. & Freelance Design	3,078.34	0.00	3,078.34
55650 • Contract Labor	9,865.00	14,740.00	(4,875.00)
55700 • Computer Software	2,845.67	0.00	2,845.67
55600 • Production - Other	40.00	0.00	40.00
Total 55600 • Production	257,321.42	273,430.80	(16,109.38)
57000 • Digital			
57620 • Wages	216,539.33	259,465.52	(42,926.19)
57621 • Payroll Taxes	11,625.82	21,716.67	(10,090.85)
57650 • Edit Contract Labor	15,070.00	76,962.50	(61,892.50)
57655 • Edit Freelance	1,255.41	0.00	1,255.41
57690 • Digital Production and Delivery	37,651.27	14,355.96	23,295.31
58690 • Sponsored Freelance	2,530.00	51,417.22	(48,887.22)
58695 • Computer Software	59,844.02	0.00	59,844.02
58705 • Other	16.00	0.00	16.00
Total 57000 • Digital	344,531.85	423,917.87	(79,386.02)
58000 • Events			
58620 • Wages	176,204.40	150,812.33	25,392.07
58621 • Payroll Taxes	8,534.25	14,865.67	(6,331.42)
58625 • Contract Labor	34,780.14	0.00	34,780.14
58630 • Venue Expenses	356,376.83	0.00	356,376.83
58635 • Food & Beverage	149,323.42	0.00	149,323.42
58640 • Rental Expenses	43,519.01	0.00	43,519.01
58645 • Marketing	12,015.86	0.00	12,015.86
58651 • Printing Expenses	1,537.75	0.00	1,537.75
58655 • Computer Software	300.00	0.00	300.00
58657 • Mileage/Parking	2,732.28	0.00	2,732.28
58665 • Trade Usage (Events)	0.00	0.00	0.00
58685 • Event Expenses	169,836.11	119,384.16	50,451.95
58000 • Events - Other	106,547.61	992,715.10	(886,167.49)
Total 58000 • Events	1,061,707.66	1,277,777.26	(216,069.60)
58650 • Sales			
58660 • Wages	387,509.10	212,780.08	174,729.02
58661 • Payroll Taxes	53,189.86	93,316.26	(40,126.40)
58670 • Contract Labor	12,405.45	21,246.05	(8,840.60)
58680 • Commissions	741,177.08	1,354,254.53	(613,077.45)
58700 • Printing, Promo & Other	7,504.14	11,327.56	(3,823.42)
58702 • Trade Show Fees	2,844.00	0.00	2,844.00
58708 • Trade Usage (Sales)	1,300.00	0.00	1,300.00
58725 • Meals	1,750.69	0.00	1,750.69
58730 • Travel & Lodging	5,160.53	0.00	5,160.53
58735 • Travel Meals	440.44	0.00	440.44
58740 • Mileage/Parking	3,504.49	0.00	3,504.49
58650 • Sales - Other	226.11	0.00	226.11
Total 58650 • Sales	1,217,011.89	1,692,924.48	(475,912.59)

10/01/19

	Jan - Jul 19	Jan - Jul 18	\$ Change
58800 · Marketing			
58820 · Printing, Promo & Other	900.00	0.00	900.00
Total 58800 · Marketing	900.00	0.00	900.00
59000 · Admin			
59010 · Wages	543,725.19	698,014.25	(154,289.06)
59011 · Payroll Taxes	22,305.99	58,696.87	(36,390.88)
59020 · Contract Labor	47,171.76	17,100.00	30,071.76
59100 · Postage	8,970.57	19,723.77	(10,753.20)
59400 · Delivery	7,817.99	12,126.91	(4,308.92)
60100 · Mileage/Parking	10,020.06	36,558.50	(26,538.44)
60150 · Travel and Lodging	32,201.23	50,874.91	(18,673.68)
60151 · Travel Meals	3,569.11	0.00	3,569.11
60155 · Meals	11,569.77	38,092.48	(26,522.71)
60156 · Entertainment	1,471.10	0.00	1,471.10
62020 · Bank Charges	37,185.78	16,553.58	20,632.20
62040 · Payment Processing Fees	96,694.47	75,490.48	21,203.99
62045 · Internet	18,883.87	17,970.80	913.07
62050 · Bad Debts	19,222.50	23,350.15	(4,127.65)
63010 · Office Supplies	24,915.67	36,993.89	(12,078.22)
63900 · Car Lease/Repairs	11,601.00	9,659.87	1,941.13
63925 · Continuing Education	110.00	1,475.00	(1,365.00)
63950 · Data Processing	6,447.72	7,374.29	(926.57)
64000 · Amortization Expense	104,604.36	104,604.36	0.00
64010 · Depreciation Expense	8,480.07	25,643.66	(17,163.59)
64100 · Dues and Subscriptions	2,767.89	81,178.06	(78,410.17)
65050 · Employer 401k Contribution	171.70	206.00	(34.30)
65100 · Group/Health/Dental Plan	97,294.38	115,149.93	(17,855.55)
65120 · Insurance - Principal/Owner	4,821.16	14,060.45	(9,239.29)
65300 · Insurance - General	6,188.36	10,655.86	(4,467.50)
65350 · Insurance - Workmans Comp	8,200.57	9,001.82	(801.25)
65375 · Employee Benefits Admin Cost	1,019.00	0.00	1,019.00
66000 · Office Rent & Property Tax	182,288.17	198,565.57	(16,277.40)
66050 · Building Repair & Maintenance	8,521.19	19,842.92	(11,321.73)
66100 · Equipment Rent/Lease Expense	19,850.71	17,880.21	1,970.50
66500 · Equipment Repairs & Maintenance	421.90	198.95	222.95
66600 · Sales & Business Taxes	46,868.83	76,833.92	(29,965.09)
66625 · Business Licenses	10.00	0.00	10.00
66700 · Computer Expense			
66720 · Computer Software Expense	5,999.38	0.00	5,999.38
66700 · Computer Expense - Other	92,889.00	57,692.91	35,196.09
Total 66700 · Computer Expense	98,888.38	57,692.91	41,195.47

	Jan - Jul 19	Jan - Jul 18	\$ Change
66800 • Miscellaneous Expense	5,488.59	5,887.71	(399.12)
67100 • Professional Fees - Accounting	16,692.00	291.67	16,400.33
67200 • Professional Fees - Legal	46,784.69	30,166.12	16,618.57
67500 • Professional Fees - Consulting	28,073.83	113,122.52	(85,048.69)
67600 • Recruitment	26,715.72	5,514.84	21,200.88
69100 • Telephone	14,062.19	12,602.58	1,459.61
69140 • Trade Show Travel & Ent	0.00	0.00	0.00
69150 • Trade Show Fees (go to)	0.00	3,494.00	(3,494.00)
69155 • Trade Expense	276.77	0.00	276.77
69160 • Trade Usage	0.00	(25.00)	25.00
69170 • Trade Show Expense (our events)	155.02	0.00	155.02
69180 • Association Expense	3,000.00	499.00	2,501.00
69190 • Membership Dues	3,827.00	3,394.00	433.00
69200 • Utilities	16,675.18	17,084.10	(408.92)
69900 • Contributions/Donations	512.50	0.00	512.50
69990 • Uncategorized Expenses	1,068.75	0.00	1,068.75
59000 • Admin - Other	(286.05)	0.00	(286.05)
Total 59000 • Admin	1,657,326.64	2,043,601.91	(386,275.27)
Total Expense	8,305,339.57	9,900,120.33	(1,594,780.76)
Net Ordinary Income	469,721.98	(201,225.07)	670,947.05
Other Income/Expense			
Other Income			
80000 • Other Income			
81000 • Interest Income	17,330.40	0.00	17,330.40
Total 80000 • Other Income	17,330.40	0.00	17,330.40
Total Other Income	17,330.40	0.00	17,330.40
Other Expense			
90000 • Other Expenses			
91000 • Interest Expenses	83,836.72	70,802.36	13,034.36
94000 • Penalties	349.70	702.70	(353.00)
95000 • Income Tax Expense	4,796.00	655.79	4,140.21
Total 90000 • Other Expenses	88,982.42	72,160.85	16,821.57
Total Other Expense	88,982.42	72,160.85	16,821.57
Net Other Income	(71,652.02)	(72,160.85)	508.83
Net Income	398,069.96	(273,385.92)	671,455.88

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

Tiger Oak Media, Incorporated,
Debtor.

BKY No.: 19-43029

Chapter 11

Memorandum of Law

Tiger Oak Media, Incorporated (“Debtor”) submits this Memorandum of Law in support of its Motion for an Order Authorizing Use of Cash Collateral (“Motion”).

I. STATEMENT OF FACTS

The Debtor relies on the verified statement of facts and Local Rule 4001-2 statement contained in the Motion and incorporates the same herewith.

II. STATEMENT OF LAW AND DISCUSSION

Section 363(c)(2) of the Bankruptcy Code provides that a debtor in possession may use cash collateral only with the secured creditor's consent or if the court, after notice and a hearing, so orders. Section 363(e) of the Bankruptcy Code provides that the court must provide the secured creditor with adequate protection of its interest upon request of the creditor. The Eighth Circuit Court of Appeals has discussed the issue of adequate protection in the following terms:

In any given case, the bankruptcy court must necessarily (1) establish the value of the secured creditor's interest, (2) identify the risks to the secured creditor's value resulting from the debtor's request for use of cash collateral, and (3) determine whether the debtor's adequate protection proposal protects values as nearly as possible against risks to that value consistent with the concept of indubitable equivalence.

In re Martin, 761 F.2d 472, 476-77 (8th Cir. 1985).

Based on the facts alleged in the Motion, the Secured Creditor's interest in the collateral are adequately protected by the Debtor's offer. The Debtor has estimated the liquidation value of

its assets. The Debtor's cash collateral since the filing date will stay the same and not decrease demonstrating further adequate protection.

Usually, in a Chapter 11, the risk to a secured creditor's interests in cash collateral is that the Debtor will use all of the collateral and not generate sufficient post-petition collateral to replace the used collateral. That is not a concern here, as the collateral will not decrease during the pendency of this case.

The Debtor has set forth how the value of its assets will remain the same and not decrease between the Filing Date and the dates through which the Debtor seeks use of cash collateral. The Debtor has further set forth its necessary budget. Pursuant to the Debtor's budget, the collateral position of the Secured Creditor does not adversely change in a material way during the period of the proposed use of cash collateral.

The Debtor's offer to the Secured Creditor as adequate protection of its interest is the Offer of Adequate Protection described in the Motion. Based on the facts and circumstances of this case the Offer of Adequate Protection adequately protects the Secured Creditor from any risks to its collateral from the Debtor's use of same.

The Court should grant the motion of the Debtor authorizing the use of cash collateral. The Debtor has immediate need to use cash collateral in which the Secured Creditor has an interest. The Debtor's use of cash collateral during the pendency of this case poses a nominal risk to the interest of the Secured Creditor. The Secured Creditor will be adequately protected by the granting of a post-petition lien with the same status, dignity and priority as existed in the cash collateral prior to the filing of the Debtor's petition, by the carrying of insurance for the full replacement value of the collateral, by continuing to operate and to generate replacement

collateral and by any other form of protection contained in the offer of adequate protection described in the Motion.

The Debtor requests an order authorizing use of cash collateral so that the Debtor may meet the ordinary expenses of operating the Debtor's business in accordance with the budget and cash flow projections attached to the Debtor's Declaration.

III. CONCLUSION

For the foregoing reasons, the Court should approve the Debtor's the use of cash collateral on an interim and final basis as provided in the Motion.

STEVEN B. NOSEK, P.A.

Dated: October 7, 2019.

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ATTORNEYS FOR DEBTOR

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

**BKY No.: 19-43029
Chapter 11 Case**

**Tiger Oak Media, Incorporated,
Debtor.**

CERTIFICATE OF SERVICE

I hereby certify that on October 7, 2019, I caused a copy of **Notice of Expedited Hearing and Motion For Approval to Use Cash Collateral and for Adequate Protection; Verification; Exhibit; Memorandum of Law; and Proposed Order** to be filed electronically with the Clerk of Court through ECF, and that ECF will send an e-notice of the electronic filing to the following:

US Trustee: ustregion12.mn.ecf@usdoj.gov, ecfbkup@comcast.net

I further certify that I caused a copy of the **Notice of Expedited Hearing and Motion for Approval to Use Cash Collateral and for Adequate Protection; Verification; Exhibit; Memorandum of Law; and Proposed Order** to be mailed by US Mail and faxed and/or emailed to the following:

Tiger Oak Media, Incorporated Craig Bednar 900 South 3 rd Street Minneapolis, MN 55415-1209 rcbednar@tigeroak.com	Internal Revenue Service Centralized Insolvency Office PO Box 7346 Philadelphia PA 19101-7346 Fax: 1-855-235-6787	MN Dept of Revenue 551 Bankruptcy Sections PO Box 64447 St. Paul MN 55164 Mdor.bkysec@state.mn.us
IRS District Director Room 320 Stop 5700 30 7 th Street E #1222 St. Paul MN 55101 No Fax or Email	Choice Financial Attn: Jeff Elden 4501 23 rd Avenue South Fargo ND 58104 j.elden@bankwithchoice.com	Buehler, Beth - Inc Buehler Communications Inc. 897 Zeligman Unit A Crested Butte CO 81224 Beth.buehler@tigeroak.com
Carlson Print Group 7490 Golden Triangle Drive Eden Prairie MN 55344 dblaschko@carlsonprint.com	City Catering Company 509 Dexter Ave N Seattle WA 98109 contact@citycateringcompany.com	Embassy Suites Attn: Nicole Andrews 255 South King Street Seattle WA 98104 Fax: 206-859-4401
Fieldwork Network 111 East Wacker Drive Suite 220 Chicago IL 60601 Fax: 800-863-4353	GO-Brickman Miken Owner LLC P O Box 31001-2653 Pasadena CA 91110-2653 No Fax or Email	Hess Print Solutions 3765 Sunnybrook Road Brimfield OH 44240
Brianna Blazek General Counsel 3323 Oak Street Brainerd MN 56401 Brianna.Blazek@CJkgroup.com	Integrated Consulting Services, LLC Attn: Craig Siiro 4917 West 93rd Street Bloomington MN 55437 Craig.siiro@integrated-consulting.net	Kleinhuizen, Monique Elaine 15840 Jeffrey Avenue N Hugo MN 55038 Fax: 262-352-3482

Northwest Harvest ATTN: Thomas Reynolds PO Box 12272 Seattle WA 98102 Fax: 1-800-722-6924	Lurie LLP Attn: Kevin Besikof PO Box 860465 Minneapolis MN 55486-0465 kbesikof@luriellp.com	LSC Communications Attn: Alec Swan 4101 Winfield Road, 2nd Floor Warrenville IL 60555 Howard.swan@lsc.com
RCMA 7702 Woodland Drive Suite 120 Indianapolis MN 46278 Fax: 317-632-7909	Savor...McCaw Hall 305 Harrison Street Seattle WA 98109 Rpassarella@smgworld.com	PSAV c/o Fairmont Olympic Hotel 411 University Street Seattle WA 98101 Fax: 206-682-9633
US Postal Service-Generic Attn: Postmaster 350 Central Avenue Long Prairie MN 56347 No Fax or Email	Veritae Group, LLC 1650 West End Blvd Suite 100 St. Louis Park MN 55416 smainquist@veritae.com	THE LAW OFFICES OF ALEX W. CRAIGIE 12100 Wilshire Boulevard Suite 800 Los Angeles CA 90025 alex@craigielawfirm.com
Washington Dept of Revenue PO Box 47464 Olympia WA 98504-74648 No Fax or Email	US Attorney 300 S 4 th Street #600 Minneapolis MN 55415 Fax: 612-664-5788	

Dated this 7th day of October, 2019.

STEVEN B. NOSEK, P.A.

/e/ Steven B. Nosek

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ATTORNEYS FOR DEBTOR

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In Re:

BKY No.: 19-43029

Tiger Oak Media, Incorporated,

Chapter 11 Case

Debtor.

INTERIM ORDER

The Motion of Tiger Oak Media, Incorporated ("Debtor") for an Order granting interim use of cash collateral and to grant adequate protection came on for expedited hearing before the undersigned on the 10th day of October, 2019. Appearances were noted.

IT IS HEREBY ORDERED:

1. The Debtor's Motion for expedited hearing is granted.
2. The Debtor is authorized to use cash collateral as described in the Debtor's Rule 4001-2 Statement on an interim basis; and
3. The Debtor is authorized to grant replacement a lien to Choice Financial Group on all assets of the Debtor-In-Possession to the extent of use of cash collateral, which replacement lien shall have the same priority, dignity and effect as the pre-petition lien held by said creditor. Assets excluded from the replacement lien are the Debtor's bankruptcy causes of action; and
4. No additional steps need to be taken to perfect the replacement lien authorized herein; and
5. A further hearing on the motion for an order authorizing the interim use of cash collateral shall be held on Wednesday, November 13, 2019 at 10:00 a.m.

Dated:

Michael E. Ridgway
United States Bankruptcy Judge